917

Reserve

G R S IX-5]

File No 100 – 16

Previous references

Mg 93-14 ₹21, 126 ₹31 B March 1916

LB 146-14 ₹31, 27 ₹-15 B Dec 1917.

G 7 139-11 ₹3, 29, 45, 8-10 ₹13 (Municipal)

Serial Nos 2 to 11

Later references

2 Dec 1911

S R. 64-17 ₹1-3 B. March 18

Pt 31-29-1-3

Preserved

GENERAL AND REVENUE SECRETARIAT.

Serial Nos 2 to 11

Part B for March 1917

SUBJECT

Proposal for the ~~remission~~ of Stamp duty leviable on debenture bonds on Chitaldrug town water supply loan or for reduction to a nominal amount

---

To the Compiler, Mysore Gazette.

No 5812 dt 7 3 17

Notice for the remission of Stamp duty chargeable on the Debenture bonds of the Chitaldrug town water Supply loan of one lakh of rupees sanctioned in G.O No 5243-4/ml 93-14-268 - 18 1 16

To the Dy Comr Chitaldrug
The Stamp Comr in Mysore } No 5813-4 dt 7 3

W D 63—GPE—50,000—24-7 14 Forwarded a copy of the above

dt 21 3 17

1916-17

GENERAL AND REVENUE SECRETARIAT

Ind)

NOTES

1299

File No 100/16

FILE HEADING

Water Supply Chitalong town

From

The Deputy Commissioner, Chitalong Dt

C No. 23 me Dated 28 10 16 Received 31 10-16

Diary No. 1299	Enclos	Spare Copies	Serial No

BRIEF ABSTRACT OF LETTER

Requests that the Stamp duty leviable on debenture bonds to be issued in Connection with the Chitalong town water supply may be remitted or reduced to a nominal amount.

NOTES AND ORDERS

In view of the circumstance that the greater part of the loan viz $\frac{3}{4}$ths of it is raised on behalf of Government the levy of Stamp duty ~~may be waived~~ would be attended with little benefit. The matter is one for consideration in Revenue Branch

Ltr

NOTES—First Sheet.

KB

1-XI 16

Br II

Hc 40 947-16

In favour of Opinion

D 11

2

G R S 12]

General and Revenue Secretariat.

Mk File No. 100 of 1916-7

Serial No

Submitted.

2) Sec 8 (1) of the Mysore Stamp Regulation gives facilities for local bodies for the issue of debentures by payment of a composition duty at the rate of ½ p c on the total amount It is not clear if any further remission or reduction is necessary or desirable, as any such concession shown in the present case may have to be extended to other similar cases resulting in an appreciable loss of Stamp revenue

3) Further, as three fourths of the Water Supply loan is raised on behalf of Govt, the Stamp duty is payable only on the remaining one-fourth, and the amount that the Municipality has to pay is only Rs 125, Please see proviso 1 to Sec 3 of the Stamp Regulation On the question Ask by Hollow whether for purposes of Stamp Duty the entire loan may be considered as made up of two parts Br III may perhaps be consulted, ~~the loan Co~~

The loan cannot then be regarded as split-up in to two parts

It is not known what the Kolar Gold Mines Board did when they raised a loan for Railway purposes

The Dy Comr's letter is submitted for orders by Mr 17.11.16

H 40947-16

Shown with Thus

(4) The loan cannot be split-up into two parts Respecting Shown - the amount is large and it is better to wait if they bring up such a proposal

Railway

NOTE—Contn sheet

Stamp duty what the Kolar Gold Mines Board

11-16

File No 100 of 1916-17

there is no other direct part that is taken in the affairs. As such the transaction can be considered. And dealt with only as one as between two parties one of them being known as Public Body see the Memorandum Council in the light of this, there can be no question about the legality of the levy

(11) The next point for consideration is what the levy will amount to and whether it can be considered as excessive. If so wholly or in part

Seen from the connected file that the between the Bonds are meant the issues in two values of Rs 100/- & Rs 25/- respectively so as to make the investment as popular as possible In case the bonds were all of the value of Rs 100/- each then the stamp duty calculated at half-per cent would amount to $\frac{100\,000}{100} \times \frac{1}{2}$ or Rs 500/- If however the bonds were all of the value of Rs 25/- each. Then the Stamp duty calculated at a quarter per cent would amount to $\frac{100\,000}{25} \times \frac{1}{4}$ or Rs 1000/- But it is presumed that the bonds will not all of them be of one uniform value but be made up of a number of both values in some definite proportion If this is the case as it is likely the then the stamp duty will be neither Rs 500/- nor Rs 1000/- but some amount intermediate between the two. But this would be under the Schedule of fees

It is a coincidence that

The Report of 1916-17

that the stamp duty leviable on the total debenture amount which is Rs.10000/- amounts also to Rs.500/- under the terms of cl. Sec 8 of the Negsee Stamp Regulation If the objects & reasons of this section are enquired into it will be seen that the rule provides is as law as it might be, being in the nature of a concession in itself Rent for the purpose of law Stamp duty would have been leviable and only at the first instance, on the issue of the debenture bonds but also at Every subsequent transaction with respect to them debenture Bonds are negotiable instruments and it must be assumed that there will be subsequent transfers of them In new to make these transfers as convenient as possible to the Public and also to make the levy of Stamp duty as light as possible. There has been a compounding and the rate of half per cent now leviable once for all at the outset, cannot be considered as heavy or Exacting by any means The legislature has indeed dealt with this matter in quite a fair & and a generous manner In the light of this new form of operation that no case for any remission of the stamp duty leviable wholly or in part - has been made out at all

File No 100 of 1916-17

(12) From a perusal of the papers in the connected file it is seen that beyond a casual reference to a personal assurance alluded to in the Deputy Commissioner's note and a hint contained in G.O. No 6013-4 Mul 93-14 of 17.2.16 there is no specific statement made anywhere about the final payment of the debenture amount. Even assuming that the final payment of the loan amount will be from State and Municipal funds in the proportion of 75 & 25 per cent respectively I do not think that the question of any remission in the stamp duty leviable can be considered at all. If this should be the case eventually it seems to me that there is all the less reason for any remission being made to pay a stamp duty which would not exceed Rs 500/- at the very outside when a consideration of Rs 75,000/- is likely the case from Government to Surety and asking for much of a Municipal Council

(13) In this connection I cannot help

(7)

File No 100 of 1916-17

referring to the debenture loan issues by the Kolar District Board for the Railways The question of stamp duty was not referred to the Stamp Commissioner as in the present instance and it is not known how the business was managed when the levy of stamp duty was waived generally by the Government or it is considered in expedient for any reason to reopen this matter at this stage it appears to me that this question should be taken up, considered and finally disposed of now

P. Raghavendrarao
Commr of Stamps
Bangalore 26 11 16

P-170

(8

1293

G R S 12]

General and Revenue Secretariat | Will File No 100 of 1916-7

Serial No 14

Submitted with the opinion of the Stamp Comr

Kd

29 x 116

(15) Dm 1/12/16

3911 Revs - Secretary)

16) The Chittagong District Board Railway Debentures are also now issued

The Kolar Dist Board Railway Debentures & the Debentures of the Bangalore Chickballapur Light Railway have also been issued

The other District Boards may also raise loans for similar purposes under the Local Self Govt Scheme

The question of Stamp Duty was not appealed & have been raised at all till now

As the question has now been formally raised by the Dy Comr of Chitaldroog, the matter may be settled once for all

The opinion expressed by the Stamp Comr is in accordance with the Stamp Law & as such is entitled to consideration

2) Mather)

157 5/12/16 (17) Interchange as to the procedure followed in the following Cases.

Kd 2/12 Dm 3/12

18 Mr Kelly) Put up a typed Note for sig Kd Please put up draft 7/12 Dm 7/12/16

NOTE—Continue on sheet

Vide routine note endorsed 12/16

GPB—1,000—

(9

Refs. Paras 17 & 18 Comptr

(17) In the case of Debentures sanctioned by Government the forms of bonds were submitted by Deputy Commissioners and approved by Government in consultation with either the Financial Department or the Government Advocate or both

Shimoga District Board Debentures Flag O
Kolar District Board Debentures Vide Flag N
Chitaldrug Water Supply Flag L.

(18) On all these occasions the ---- question of Stamp duty was not raised at all either by the local bodies concerned or the Government Advocate or by the Stamp Commissioner. The bonds have been issued without Stamp. The question is for the first time raised now by the Deputy Commissioner, Chitaldrug District

22/12-16

Rev. dept)

2nd member)

325
23-12-16

22.12.16

22/12-16

(21) The Government Advocate should be consulted as to the legal aspect of the case. Thereafter papers should be submitted.

15-1

P.T.O.

WD 1288—GPB—60,000—1 15—S.

(40

G R. S III-2]

General and Revenue Secretariat | Rel File No. 100 of 1916-7

D. No 6982-1-17

Serial No.

(22) Forwarded with compliments to the Government Advocate for favor of opinion

By order

for offg Secretary to Govt.

To Revenue Department

2/1/17

O. No. 390-16-17

REV & REV SECT
15 JAN 1917

30/12

(23) Debentures are ordinarily chargeable, under art 26 of the Mysore Stamp Reg with Stamp duty at the rate of half a percent roughly and under Sec 8 facilities are given to Local Authorities to pay a Composition duty at the rate of half a percent (as against one percent in British India) on the total amount of the Debentures issued by them The Chittaldrug Municipal Council has therefore to pay a Composition duty of Rs 500/- on Debentures of the value of one lakh issued by that body. The fact that Govt have guaranteed the repayment

NOTE—Contin. sheet

Serial No

of the loan + interest to the Debenture holders does not make any difference —

(24) Govt have of course the power under Sec 9(a) of the Stamp Regulation to reduce or remit the duty payable by the Municipal Council Govt: in exercising this power if disposed so to do may take into consideration that 3/4th of the loan in question is practically raised by the Municipal Council on behalf of Govt and that if Govt directly raised the loan they will be exempt from payment of duty under proviso (1) to Sec 3.

(25) The question of Stamp duty in connection with the Shen Debenture was not raised by me as there was no occasion to do so

5-1-17

GPB—2 000—17 12 14

WD [redacted]—60 000—1 12-16—S.

J R S [redacted]1-2]

General and Revenue

1295

File No 100 of 1916-7

Serial

(26) Submitted with the Opinion of the Govt Advocate
KD The question point for orders is
whether Govt are prepared to remit
10/1/17 the duty payable on the Debentures
Ref Para 21
12/1 16/1-17

Rec'd.
Secy.
2nd member) —

132 29-1-17 hm 18 1 17

(27) Stamp duty paid on
the 125 Rs 5 duty —

4310 22 1 17

Sub-D Dewan)

hm 20 1 17 20/1-17

(28) As we have not recovered any duty in the other cases, it is perhaps desirable to forego the small amount of duty in this case also as a special case.

(29) If the Second Member agrees, orders may issue accordingly

5 2-17

2nd member)

138 7-2-17 hm 6 2 17

Has Govt sanctioned the proposed remission 6/2-17
Has report been received

NOTE—Contn sheet

WD 1283—GPB—60 000—1 12-16—S.

G R S III-2]

General and Revenue Secretariat | ML - File No 100 of 1916

Serial No

Acknowledgement from S Duty- Yr
Mr D apps I have to
Myself I forgo the reason
with this case
Yr
6 2

4591/9 2 17

Dewan)

6/2/17 6/2/17

(2) The Council wishing my Commissioner
Chamberlain, Bombay, return the proposed notice
to Government, bearing the Stamp duty.

2/2 Secy

Draft-

27-2-17. 27/2-17

(3) Submitted with draft notification

28/2 28/2

Rev Secy)

2nd member)

1444/5 3 17 2 3 17

(4) Proposed issue of the Gujarat
Indulging Concessions for the
Current Year
Revenue will bear the cost

B 2/13

Issue

Take extracts from notes and put up for orders separately

6/3/17 6/3 6/3-17

P 0 2 5—Contn sheet

WD 1283—GPB—60 000—1 12-16—S.

G R S III 2]

General and Revenue Secretariat	Mk File No 100 of 1916
Serial No. 11	To the Compiler, Mysore Gazette No- 5812 dt 7 3-17 Notifying the remission of Stamp Duty Chargeable on the Debenture bonds of the Chitaldrug town water supply loan of one Lakh of Rupees sanctioned in GO No 5243-4/ mk 93-14-26 dt 18 1-16. To the Dy Commr Chitaldrug dt No- 5813 dt 7-3-17 Forwards Copy of the above To the Stamp Commr in Mysore No 5814 dt 7 3 17 Forwards Copy of St 11

NOTE—Contn sheet

D 1299
16-2
Ref on e no 23 Rev. Revenue
16-17

Office or the Deputy Commissioner,
Chitaldrug District
Dated Chitaldrug, 28th October 1916

From

C. S. Balasundaram Iyer Esquire B.A ,
Deputy Commissioner,
C H I T A L D R U G

To

L. Krishna Rao Esquire,
Offg Secretary to the Governmentof
His Highness the Maharaja of Mysore,
Revenue Department, Bangalore

I R,

I have the honor to state that under section 8 of the Mysore Stamp Regulation, the stamp duty leviable on debenture bonds to be issued in the case of the loan raised for the Chitaldrug town water supply sanctioned by Government in their order No 5243-4/M1 8-14-26 dated 18th January 1916 amounts to Rs 500 for one lakh of rupees I request that this stamp duty may be remitted or reduced to a nominal amount as per section 9 of the said Regulation The favor of early orders is requested as bonds have to be issued to the subscribers

I have the honor to be,
S I R,
Your most obedient servant,
C Balasundaram Iyer
Deputy Commissioner,
Chitaldrug District.

GPE—50 000—17 9-15

1916–17

From The Deputy Commissioner
30 OCT 1916 Chitaldrug Distt

To The Secretary to Government,
Revenue Department
Bangalore

Dated

Despatched 28.10.16

Received

General No Reference 23 (Ml)
No 16–17

Enclosure No. nil

Requesting that the
Debentures of the Chitradurg
Water Supply Loan may be
exempted from Stamp duty &c

(+ R S 26)

GEN. & REV. SECRETARIAT. TYPIR. & SOC. 6 MAR 1917

Exemption of Stamp Duty on Chitaldrug Town Water-Supply loan

(16)

File No 102/16

Serial No

Diary No of letter replied to 1299

5812

Notification

ml 93-16-11

9317

(General and Revenue Secretariat

( )

, the 191

To

Date of issue. 9317

Signed by M.R.A. Sabharatnam

In exercise of the powers conferred by clause (a) of Section 9 of the Mysore Stamp Regulation, the Govt of H.H the Maharaja of Mysore are pleased to remit ~~in full~~ the Chargeable stamp duty on the Debenture bonds of the Chitaldrug Town Water Supply loan of one lakh of rupees Sanctioned in 5243-4/ml 93-14-26 dated the 18th January 1916

By order

for over

3 3 17

Secy to Govt

Rev Dept

SUBJECT

17

To

The Compiler, Mysore Gazette

for publication with a request

that 3 spare copies of the issue

may be sent to this office

Memo 5-813 mL 400-18-11 97317

Copy forwarded to the Dy

Comm. Chitaldrug Dt- with

reference to his letter no C 23(mL)

Dated 28th Oct 1916 16-17

by order

Dy Secy to Govt

Memo 5-814 mL 400-16-11 97317

Copy forwarded to the Stamp

Reporter Comm in Mysore

List of enclosures

by order

Dy Secy to Govt

Revenue dept

Copy to Branch II

Copied by

Examined by

GPB—20 CO —10-10-16